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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY USSR (Yakutsk ASSR)

REPORT

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SUBJECT Gold Mining in Aldan Area

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25 YEAR RE-REVIEW

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REPORT [REDACTED]

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COUNTRY USSR (Yakutsk ASSR)

DATE DISTR. 28 Mar 55

SUBJECT Gold Mining in Aldan Area

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DATE OF INFORMATION [REDACTED]

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General

1. Gold deposits in the Aldan (N 58-37, E 125-24) region which were not in river beds, were worked in outs (rasresy) or mines (shakhty). The deepest mines [REDACTED] were seven to nine meters in depth. Usually they slanted into the hillside and followed the course of the gold deposit. [REDACTED] some mines in the Aldan area are as deep as fifty meters [REDACTED]. Sometimes, if the gold deposit was deep, a tunnel was dug for the gold from another spot; thus the gold deposit in a hill was sometimes worked by two mines which were dug toward and eventually met each other. The mines in the Aldan area required a minimum of shoring, although roof supports and even timbered roofing were used upon occasion. Mining accidents were rare.

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2. Subsoil in the Aldan area was not consistently frozen. There were some patches of ground which were not frozen at all. In some places, miners dug into a face which was not at all frozen and then found that the earth a few centimeters to the left or right was frozen solid. [REDACTED]

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Free Prospecting

3. Prior to March 1950, the acquisition of gold in the Aldan area was relatively free. An individual could prospect for gold anywhere he pleased, except that he could not jump a claim under active exploitation. The miners supplied their own equipment and sold their gold at set prices. Independent prospectors or those who obtained claims from the trust built their own cabins of timber. Often, men worked in groups of three or in large brigades made up of 30 to 70 men. The three-man groups were usually able to pan about 100 grams per day.

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4. In June 1949, [] a small brigade of eight men which obtained permission from the prospecting director of the Lower Kuranakh to look for gold at "Second Alaska", an area rich in gold, 28 kilometers from Aldan. A "First Alaska" was located nearby. [] channel gold (ruslovoy) [] was pure and was merely panned. The gold at "Second Alaska", however, was alluvial (nanosni), and had to be worked with mercury. A layman might not even recognize alluvial gold as gold, since it looked much like dirt. Alluvial gold was obtained by pouring into the sieve containing the ore approximately 1 1/2 grams of mercury for each gram of gold in the ore. The mercury and gold were mixed together and washed several times until they formed a characteristic ball. Excess mercury was then squeezed out to be used over, and the mercury-gold paste was spread on a rock to dry. When the mixture had dried and separated, the mercury, now worthless, was thrown away. The gold remaining was flaky. Mercury was easy to obtain in Aldan and cost 30 kopeks per gram. A skillful panner was able to work alluvial gold without mercury. Since the product he obtained, however, was impure, unclean, and difficult to sell, most miners preferred the mercury method.
5. [] brigade at "Second Alaska" was fortunate in discovering an extremely rich deposit of gold. Whereas prior to this discovery, an average sieve of river silt in an average gold district might contain 200 milligrams, or two "matches" of gold, a sieve at the [] strike sometimes held as much as 50 grams. News of the strike soon spread, and the Aldan Gold Trust dispatched a technical engineer to allocate claims. The river in the vicinity of [] claim was soon being worked on a shoulder-to-shoulder basis. There were a number of disputes about claim jumping, which was understandable since some claims were only a few meters wide. In order to strengthen their position, the members of the [] brigade joined with a neighboring brigade and all the men worked together as a unit. While working this claim, each member of the brigade made 300 to 400 gold rubles per month, the equivalent of 6000 to 8000 rubles in Sovznaki. 1
6. Gold dust mined by the independent individuals or brigades was turned over to the Gold Receiving Office, Directorate of Exploitation, which was subordinate to the Aldan Gold Trust (see Organized Mining below). Payments were scrupulously fair at the rate of one gold ruble per gram of gold. A gold ruble was equal to 9.60 Soviet rubles, which were apparently still called sovznaki in the Aldan region. Gold rubles could be exchanged for Soviet rubles at will. Free prospectors usually received the full value of their gold. However, certain deductions were made in the payments to miners who worked in organized brigades. These deductions included six percent for income tax, six percent for childless tax where applicable, and a certain amount for "voluntary" state loan.
7. [] prices in the company stores were fair; at least they were generally about the same as the sovznak price in other stores in the Aldan area. As a matter of fact, prices had to remain about the same in all stores, because the miners would compare them and could cash in their checks if sovznak prices were found to be lower than the check prices.
8. Miners in the Aldan area were usually paid by chits (bona) which were issued in values of 10, 50, and 100 rubles. The chits were made up of coupons which were clipped off at the time purchases were made. The chits were good only in certain company stores of the Aldan Gold Trust.
9. After March 1950, conditions in the Aldan area changed radically. Free prospecting was discouraged and most miners became salaried employees of the Aldan Gold Trust. Payments in gold rubles and gold ruble chits were abolished in March 1950 and the rate of the Soviet rubles to the gold rubles was set at 4.90 to 1 instead of the 9.60 to 1. As of September 1953, the official price for gold dropped to 4.80 rubles per gram. High grading became common. Some miners who obtained a little gold on the side sold it to Chinese smugglers for 10 to 12 rubles per gram. By 1953 free prospecting was virtually nonexistent.

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10. Although work and gold prices were supposed to be fixed rigidly, the Aldan Gold Trust always got excited toward the end of the month when it looked as though the plan would not be fulfilled. At such a time, bonus prices would be offered for gold, up to 8, 10, 12, or even 15 rubles per gram. In effect, however, the company's price was never more than 12.60 rubles. Up to that amount, part time workers would be paid in full. If the payment were higher, deductions would be made for taxes or for other reasons, so that the net payment never exceeded 12.60 rubles. In practice, then, those who could get away with it loafed during the first part of the month and worked hard toward the end. Or else, if possible, they turned in at the beginning of the month only a fraction of the gold they obtained and saved the rest for the higher price to be expected later.

Organized Mining

11. All mines in the area surrounding and immediately to the south of Aldan, except the Lebedinyy mining complex, were subordinate to the Lenin Mining Directorate (Leninskoye Priskovoye Upravleniye) which was subordinate to the Aldan Gold Trust (Aldanskiy Zolotonosniy Trest). The Aldan Gold Trust was subordinate to the Yakutsk Gold Industry (Yakutskaya Zolotonosnaya Promyshlennost). The size of the Lebedinyy operation was enough to justify a separate Lebedinyy Mining Directorate which in turn was subordinate to the Yakutsk Gold Industry.

12. Following is a list of mines in the Aldan area :

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<u>Mine</u>	<u>Type</u>	<u>No. of Workers</u>	<u>Type</u>	<u>Daily Output in Kg.</u>
Swan(Lebedinyy)	Underground	1200	Mostly prisoners	30
Koltikon	Underground	300	Free laborers	25
Hydraulic(Gidravlika)	Open pit	200	Free laborers	No info
Pine (Sosnovoy)	Underground	300-400	Free laborers	No info
Orochen #1	Underground	500	Free laborers	No info
Orochen #2	Under & Open	500	Free laborers	No info
Yatsik	Under & Open	500	Free laborers	No info
Conifer(Khvoynyy)	Underground	10	Free laborers	No info

13. In the Aldan area, about 22,000 persons were employed by the gold industry

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(see paragraph 12). About one-half of the total force consisted of free laborers, that is, free only in the sense that they were not forced to work in a particular mine nor were they confined in concentration camps. Practically all of them were former prisoners, e.g., criminals, Vlassovites, and various types of political prisoners; others were dispossessed Kulaks and members of various transplanted minority groups. In most cases, these individuals were restricted to certain areas and in some cases to certain cities to live in earn a living.

14. Because of the uncertainty of free prospecting, particularly after 1950, many individuals preferred to work as salaried employees for the gold industry because they were then assured a definite income regardless of the amount of gold found. The average daily wage of an ordinary trust workers was 26 rubles plus 25 percent of that amount for field allowance. They also received work clothing, shoes, gloves, and shovel; and, when a gold nugget over 50 grams in weight was found, a premium was given to the lucky brigade to be divided among its members. Trust employees ate in government cafeterias and paid for their meals daily according to what they ordered. Those who lived in trust houses, barrack-like buildings, paid 36 rubles per month rent.

5. In regard to equipment, the open-pit mines all were equipped with steam and electric excavators, conveyors with arms up to 100 meters long, and caterpillar tractors. The underground mines were equipped with centrifugal pumps to pump out flooded mine shafts and supply water to the tanks, then to the troughs (koloda), where the ore was washed. At Conifer Mine there was a large steam-operated dredge (draga). Koltikon Mine was equipped with an elaborate system of centrifugal pumps because there was much flooding at this mine. It also had scrubbers (skrubber) which

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divided the larger pieces of ore from the smaller, the former of which went to bunkers and the latter to kolody for crushing and washing. Most of this equipment was Soviet manufactured. However, some foreign equipment was used in the mines. The foreign equipment included: link-belt excavators, Skoda tractors, foreign scrubbers, and conveyors. Also observed were Soviet Voronin Electric Excavators.

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16. [redacted] the Geological Survey Section of the Nizhny Kuranakh Mining Directorate [redacted] The work routine was simple. The fire builders gathered wood and built fires to thaw the permanently frozen subsoil. The carriers filled sieves with samples of the earth. The washer separated the earth from the ore and took the ore to the master assayer who sat in a tent by the fire, assayed the ore, and kept written records of the results of the work. The entire group consisted of six persons whose titles and salaries are as follows:

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Master assayer	1200 rubles per month plus bonuses. (usual take-home-pay 2,000-3,000 rubles)
Washer	1148 rubles per month
2 Carriers	700 rubles per month each
2 Fire builders	600 rubles per month each

17. [redacted] the following markings on gold samples indicate their value:

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- Pusto - no trace of gold.
- N. Z. (Nichtozhennyye Znaki) - insignificant trace.
- Znaki - traces

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18. In the gold mines of the Aldan area there were 12 pay categories ranging from women tea servers to mine chiefs. Categories one through eight included all the labor force who were paid on a piece work basis in relation to given norms. Categories nine through twelve included the professional and management personnel who were paid on a salary (oklad) basis with numerous bonuses (nabavka). In most cases, workers in the underground mines automatically were paid one pay category higher than open-pit miners because their work was considered generally harder, more unpleasant, and more dangerous. Following is a list of pay categories:

Job Title	Pay Category (Underground)	Pay in Rubles (per 8-hr day at 100% Norm)	Pay Category (Open-pit)	Pay in Rubles (per 8-hr day at 100% norm)
*Tea Server (Chayka)	2	16	1	14
*Cleaning Attendant (Uborshchitsa)	2	16	2	16
**Conveyor Cleaner	3	18.48	3	18.48
Guard	4	22	3	20
Hauler (Otkatchik)	5	30	4	24
Miners Assistant	6	33	5	26

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<u>Job Title</u>	<u>Pay Category</u> <u>(Underground)</u>	<u>Pay in Rubles</u> <u>(per 8-hr day</u> <u>at 100% norm)</u>	<u>Pay Category</u> <u>(Open-pit)</u>	<u>Pay in Rubles</u> <u>(per 8-hr day</u> <u>at 100% norm)</u>
Miner	7	37	6	31
Supervising Miner	8	44	8	44
Mining Master	9	?	9	?
Control Master, Geologist	10	?	10	?
Engineer	11	?	11	?
Mine Chief	12	?	12	?

* - Women

** - Women and old or disabled men

19. The mining trend in the Aldan area was towards increased exploitation of all, even the poor, gold deposits although actual production figures changed little from month to month. [redacted] there was enough gold in the Aldan area to work the deposits for a long time. The richest deposits in the area were at Orochen and Nizhniy Kurazakh.

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20. [redacted] Ordinarily there was little production from the end of April to early October because of the soggy condition of the ground resulting from heavy rains. The Geological Survey Section of the Nizhniy Kurazakh Mining Directorate, which prospected for new gold deposits, suspended operations during this period. 2 Production per day per individual was set by norm. In 1949, the norm of ore per worker per day was 2 to 2½ cubic meters. In 1951 it had reached 3½ cubic meters. For overfulfilling his norm a worker received additional pay. [redacted] total production of the Aldan area mines was 300 kilograms of gold per day.

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21. [redacted] the unrefined gold mined in the Aldan area was first shipped to the Central Bank of the Aldan Gold Trust (Tsentralnaya Kassa Aldanskogo Zoloto-nosnogo Tresta) in Aldan to be credited to the particular mine. The gold was then shipped south by truck on the Amuro-Yakutskaya Magistral to Never (N 53-59, E 124-10), a stop on the Trans-Siberian Railroad.³

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Shlif

22. [redacted] shlif [redacted] a black sand that was always found with gold ore. It was somewhat heavier than regular sands, almost as heavy as gold ore and, therefore, always found on a stratum adjacent to gold ore. [redacted] it was a deposited sand. Up to 1951, the government purchased as much shlif as it could get from the miners at the rate of 15 gold kopeks to the kilogram. Since at that time the miners were receiving 2.42 (sic) gold rubles per gram of gold, only the old or cautious miners mined shlif, which was relatively easy to obtain and thus less speculative than prospecting for gold. The government stopped paying for shlif in fall 1951; it was not buying or saving shlif [redacted]

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Other Minerals

23. [redacted] Ghetinsk Geological Directorate [redacted] surveyed for all minerals, including iron, in the Aldan area. This organization discovered a rich iron-ore deposit at a place called Medvedivka, about four kilometers from Malyy Nimayr (N 57-08, E 125-20). This deposit was worked as early as 1949. [redacted]

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1. Comment: These figures do not agree with the values given for the gold ruble in paragraph 6 and 9. Apparently the gold ruble was previously valued at 20 Soviet rubles. Later the gold ruble was valued at 9.60 to one, and, after March 1950, the value of the gold ruble was again decreased to 4.92 Soviet rubles (see paragraph 9).

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3. Comment: the town of Never is listed on some maps as Bolshoy Never

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